

**Virginia State Loan Repayment Program (VA-SLRP)
Eligibility Requirements 2017**

Application Cycle: January 1, 2017 to July 31, 2017

Incomplete applications received after July 15, 2017 will not be considered for VA-SLRP.

Virginia State Loan Repayment Program (VA-SLRP) Guidelines

The Commonwealth of Virginia (the Commonwealth) currently participates in The Health Resources and Services Administration, Bureau of Clinician Recruitment and Service (BCRS) Grants to States for Loan Repayment. This VA-SLRP is operated by the Virginia Department of Health-Office of Health Equity (VDH-OHE) providing a non-taxed incentive to qualified medical, dental, behavioral health and pharmaceutical (pharmacists) professionals in return for a minimum of two (2) years of service at an eligible practice site in one of the federally designated Health Professional Shortage Areas (HPSAs) in a qualified field of practice in Virginia. VA-SLRP requires a dollar for dollar match from the community/practice site. The maximum award for a four (4) year commitment is \$140,000 and shall be for a qualifying educational loan. Prioritizing applications for VA-SLRP is done on a first come first serve basis with priority given to renewals. All approvals are based on availability of funds. The participant shall meet and fulfill all requirements listed below in order to be eligible for the VA-SLRP.

Who is eligible?

PRIMARY CARE PROVIDER	SPECIALTY
Physicians <ul style="list-style-type: none">Allopathic Medicine (MDs)Osteopathic Medicine (DOs)	Pediatrics, Geriatrics, Psychiatry, Family or Internal Medicine and Women's Health
Nurse Practitioners <ul style="list-style-type: none">Includes Certified Nurse Midwives	Adult, Family, Geriatric, Pediatric, Psychiatry/Mental Health and Women's Health
Physician Assistants	Adult, Family, Geriatric, Pediatric, Psychiatry/Mental Health and Women's Health
Dental Professionals <ul style="list-style-type: none">DentistsRegistered Dental Hygienists	General, Pediatric and Geriatric
Mental Health Professionals <ul style="list-style-type: none">Health Service PsychologistsLicensed Clinical Social WorkersMarriage and Family TherapistsLicensed Professional Counselors	Adult, Family, Geriatric, Pediatric and Psychiatry/Mental Health
Registered Nurses <ul style="list-style-type: none">Includes Certified Nurse Midwives	Adult, Family, Geriatric, Pediatric, Psychiatry/Mental Health and Women's Health
Pharmacists <i>(Working at the following: Health Departments, Clinics, Health Centers, Long-Term Care Facilities and Penitentiaries)</i>	Ambulatory Care, Hospital, Oncology, Pediatrics, Pharmacotherapy, Psychiatric, Critical Care, Nutrition Support, Nuclear and Community

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Eligibility Requirements

Participant Eligibility

All applicants shall meet the following criteria to be eligible for the VA-SLRP:

- Shall sign and submit an application packet to participate in the VA-SLRP.
 - ✓ **The applicant shall include the following in the application packet:**
 1. Application with full legal name as it appears on the social security card
 2. Copy of a valid social security number
 3. Application with original signatures
 4. Professional experience narrative
 5. Proof of qualifying loan (original statement from the lender)
 6. Employment contract with original signatures and employment start date
 7. Complete certificates included in the application (release, loan & non-delinquent status)
 8. Copy of active and valid Virginia medical license
 9. Criminal history check (form: SP-167 from the Virginia State Police) (original only)
 10. Application for recruitment for the practice-site (to be filled out by the practice site)
 11. HPSA designation and HPSA score for the practice site (<http://www.hrsa.gov/shortage>)
 12. Cash match letter (template available at <http://www.vdh.virginia.gov/OHE/primarycare/incentives/loanrepayment/index.htm>)
- Shall be citizens or nationals of the United States
 - *Note: Virginia Residency is not required, but the daily traveling distance shall be no longer than two (2) hours each way.*
- Have completed residency training and be board eligible or board certified in an eligible specialty;
 - Have completed graduate or appropriate training from an accredited program
- Shall be licensed in Virginia in one of the approved specialties;
- Shall be eligible for federal employment;
- Shall have a signed contract to begin full-time employment at an approved site; or
- Shall be currently practicing full-time at an approved eligible site;
 - Full-time service equates to 40 hours per week for a minimum of 45 weeks per year
 - A maximum of eight (8) hours per week of practice-related administrative activities is allowed and at least 32 hours per week shall be direct patient care at an approved site
- Shall agree to use the VA-SLRP funds only to repay qualifying educational loans and show proof of debt reduction from VA-SLRP and the community/practice site within 60 days of receipt of loan repayment check from VA-SLRP;
 - Qualifying educational loans are Government and commercial loans for actual costs paid for tuition and reasonable educational and living expenses related to the participant's education
- Shall completely satisfy any other contractual service obligation for health professional service owed under an agreement with a federal, state, or other entity prior to beginning the period of service under the VA-SLRP; and

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- Shall not have any federal judgment liens including the following:
 - A current default on any Federal payment obligations (e.g., Health Education Assistance Loans, Nursing Student Loans, Federal income tax liabilities, Federal Housing Authority loans, etc.) even if the creditor now considers them to be in good standing;
 - Breach of a prior service obligation to the Federal/State/local government or other entity, even if they subsequently satisfied the obligation; and
 - A Federal or non-Federal debt written off as uncollectible or a waiver of any Federal service or payment obligation.

Practice Site Eligibility

All health care professionals who participate in the VA-SLRP shall fulfill their service obligation at an eligible practice site. The eligible practice site shall provide either primary care, mental or dental health care that is part of a system of care located in a federally designated HPSA. Practice sites shall meet the following requirements:

- Shall be a public, non-profit private entity, for-profit entities operated by a non-profit located in and providing health care services to individuals residing in HPSAs;
 - Non-profit private entity may not lawfully hold or use any part of its net earnings for the benefit of any private shareholder or individual.
 - For-profit health facilities operated by non-profit organizations shall accept reimbursement from Medicare, Medicaid, and the Children's Health Insurance Program, utilize a sliding scale fee schedule and see all patients regardless of their ability to pay.
 - For-profit health facilities operated by non-profit organizations shall follow the same guidelines as all other VA-SLRP sites. They shall accept reimbursement from Medicare, Medicaid, and the Children's Health Insurance Program, utilize a sliding scale fee schedule, and see all patients regardless of their ability to pay;
- Shall be located in federally designated HPSAs.
 - Please visit the website to receive the most accurate designation information at:
<http://datawarehouse.hrsa.gov/GeoAdvisor/ShortageDesignationAdvisor.aspx>
Please enter:
Street address + city + state or Street address + ZIP code
Check the box above "Submit"
*Please be sure to use "Find Shortage Area" on the left hand side ONLY.
 - **Federally Designated Medically Underserved Areas (MUAs) or Populations (MUPs) and shortage areas designated by the State DO NOT qualify.**
- Shall ensure that providers work in and fulfill their service obligation in a HPSA that relates to their training and/or discipline;
- Shall not use VA-SLRP contracts as a salary offset. Salaries for health professionals participating in the VA-SLRP shall be based on prevailing rates in the area;
- Shall charge for professional services at the standard current rates;
- Shall follow the Health and Human Services (HHS) Poverty Guidelines and provide a discount fee

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schedule which allows a very nominal fee, or no fee for services and have a policy established for individuals with limited incomes;

- For those with annual incomes at or below 100% of the HHS Poverty Guidelines, the practice sites shall provide services at no charge or at a nominal charge.
- For individuals between 100% and 200% of the HHS Poverty Guidelines, practice sites shall provide a schedule of discounts, which should reflect a nominal charge covered by a third party (either public or private). Practice sites shall charge for services to the extent that payment will be made by a third party which is authorized or under legal obligation to pay the charges. Patients' charges shall be 0% at the 100% poverty level.

The following site types are eligible to be approved as practice sites for participants

VDH-OHE will continue to place health care professionals in the following practice sites:

1. Federally Qualified Health Centers (FQHCs)

- Community Health Centers (CHCs)
- Migrant Health Centers
- Homeless Programs
- Public Housing Programs

2. FQHC Look-A-Likes

3. Centers for Medicare & Medicaid Services Certified Rural Health Clinics (RHCs)

4. Other Health Facilities

- Community Outpatient Facilities
- Community Mental Health Facilities
- State and County Health Department Clinics
- Immigration and Customs Enforcement (ICE) Health Service Corps (IHSC)
- Free Clinics
- Mobile Units
- School-based Programs
- Critical Access Hospitals (CAHs) affiliated with a qualified outpatient clinic
- Long-term Care Facilities
- State Mental Health Facilities

5. Indian Health Service Facilities, Tribally-Operated 638 Health Programs, and Urban Indian Health Programs (ITU)

- Federal Indian Health Service (IHS) Clinical Practice Sites
- Tribal/638 Health Clinics
- Urban Indian Health Program

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6. Correctional or Detention Facilities

- Federal Prisons
- State Prisons

7. Private Practices (Solo or Group)

- Shall be a public or private non-profit entity

Award and Distribution

Award

The minimum service obligation for the initial approval is two (2) years, and for that time, the maximum payment is **\$100,000**. A maximum amount of **\$50,000** is paid by the community/practice site in the first two years of the agreement and up to **\$50,000** paid by the VA-SLRP Program. For the third and fourth renewal years, extensions can be awarded each year for a total of up to **\$40,000**. This includes a cash match (**\$20,000** Federal and **\$20,000** Community/Practice Site match). The amount of the Federal portion of the award will be determined partially by the amount provided by the participants' practice site cash match portion. The total amount of awards for all four years cannot exceed **\$140,000 nor the current loan balance**. All approvals are based on availability of funds.

Match funding shall be made by eligible practice sites; public or private entities in an amount not less than \$1 for each \$1 of Federal Funds except for amounts over \$50,000 (see explanation of exception below).

- **EXCEPTION:** Awards of more than \$50,000 per year may be granted *if* the amount over and above the \$50,000 authorized for VA-SLRP participants comes from non-Federal sources and the VA-SLRP contract participant will serve at a site in a high need HPSA that is authorized for placement of a VA-SLRP program participant.

Distribution Table

Award year	Award Distribution	Years of Service Obligation
First two (2) years	Up to \$100,000 Maximum of: \$50,000 from VDH \$50,000 from Community	Two (2) years
Third (3 rd) year	Up to \$40,000 Maximum of: \$20,000 from VDH \$20,000 from Community	One (1) year
Fourth (4 th) year	Up to \$40,000 Maximum of: \$20,000 from VDH \$20,000 from Community	One (1) year
Total : Four (4) Years	Up to \$140,000	Four (4) years

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Additional Information

Length of Service Obligation

The initial award is for a two (2) year service obligation (first and second year). Renewal awards are for a single year service obligation (third and fourth).

Verification of Employment (VOE)

Once an applicant begins the required service obligation, VOE's are required as follows:

1. Submission of the first VOE is required to show proof of the first 30 days of employment after the VA-SLRP contract execution date determined by the date of the Commissioner of Health's signature.
2. After the first VOE, submission of a VOE is required every six (6) months thereafter until the end of the service obligation.

Leave

No more than 7.14 weeks (35.7 work days) per service year can be spent away from the approved service site for vacation, holidays, continuing professional education, illness, or any other reason. If the participant submits documentation supporting the need for absence of longer than 7.14 weeks, he/she may qualify for a suspension of the service obligation upon written approval from the Commissioner of Health. These requests shall be submitted in the form of a letter from the participant along with supporting documentation for consideration and final disposition by the Commissioner of Health.

Military Leave

Individuals in the Reserve Component of the U.S. Armed Forces or National Guard are eligible to participate in the VA-SLRP. If the VA-SLRP participant's military training and/or service, in combination with the participant's other absences from the service site, exceed 35 work days per service year, the VA-SLRP service obligation should be extended to compensate for the break in service.

Deferment, Cancellation and Waivers

A written request by the participant or his representative for a variation in the requirement for continuous engagement in full-time practice maybe considered by the Commissioner of Health in the following circumstances.

Deferment for Extreme Hardship

A suspension of the participant's VA-SLRP obligation may be granted at the Commissioner's discretion, for up to one year. In order to qualify for a suspension, the participant shall document a medical condition or personal situation that makes compliance with the obligation temporarily "impossible" or an "extreme

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hardship” such that enforcement would be against equity and good conscience. These requests shall be submitted in the form of a letter from the participant along with supporting documentation for consideration and final disposition by the Commissioner of Health.

Examples would be the terminal illness of an immediate family member for whom the participant is caretaker or extended maternity leave due to medical complications.

Cancellation of Contract

The only permissible basis for canceling a VA-SLRP contract is the death of the VA-SLRP participant. These requests shall be submitted in the form of a letter from the deceased participant’s representative along with supporting documentation for consideration and final disposition by the Commissioner of Health.

Waiver

A waiver may be granted at the Commissioner’s discretion. A waiver excuses the participant’s performance of his/her VA-SLRP obligation, based on a written request and supporting documentation from the participant that he/she meets the waiver provision. In order to qualify for a waiver of the VA-SLRP obligation, a participant shall document a medical condition or a personal situation that makes compliance with the obligation permanently “impossible” or an “extreme hardship” such that enforcement would be against equity and good conscience. These requests shall be submitted in the form of a letter from the participant along with supporting documentation for consideration and final disposition by the Commissioner of Health.

An example would be an incapacitating illness that prevents the participant from practicing in his/her profession.

Breach of Contract

The following may constitute a breach of contract:

Transfer and or Break in Service

A VA-SLRP participant who stops serving prior to the completion of his/her obligation or otherwise breaches the terms of the contract, shall no longer receive loan repayment. If a participant requires a transfer and there is a break in service between the initial eligible site and the transfer site, loan repayment should not resume (if applicable) until the participant returns to the agreed full-time service obligation at the eligible site.

The participant shall submit a formal request to the VDH-OHE for a contract modification in cases of transfer or break in service. Where a break in service occurs, the participant’s service end date shall be extended and there should be a contract amendment reflecting the new end date. If a participant does not accept his or her reassignment/transfer, the VA-SLRP shall place the individual in default of his or her

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VA-SLRP contract. These requests shall be submitted in the form of a letter from the participant along with supporting documentation for consideration and final disposition by the Commissioner of Health.

Default

The following may constitute as a default:

- The participant fails to complete the term of obligated service under the terms and conditions of the VA-SLRP contract;
- The participant falsifies or misrepresents information on the program application, the verification of employment forms, or other required document;
- The participant's employment contract is terminated for good cause as determined by the employer and confirmed by the employer and the department. If the employment is terminated for reasons other than reasons beyond the participant's control (e.g., closure of site) the participant shall transfer to another site approved by the board in the Commonwealth within six month of termination. Failure of participant to transfer to another site shall be deemed to be breached of the contract.

Default triggers a financial liability to the Commonwealth of Virginia.

In the event of a breach of contract and in accordance with terms of the contract the participant shall make default payments as described in 42 U.S.C. § 254o(c)(1). In the event of a breach in contract where the recipient has partially fulfilled his obligation, the total amount of reimbursement shall be prorated by portion of obligation completed. The participant shall be liable to the Commonwealth of Virginia for an amount equal to the sum of:

- a. **The total of the amounts paid** by the United States to, or on behalf of, the participant for loan repayments for any period of obligated service not served.
- b. **Penalty** of an amount equal to the number of months of obligated service not served multiplied by \$7,500.
- c. **Interest per annum** on (a) and (b) at the maximum legal prevailing rate, as determined by the Treasurer of the United States from the date of breach, except that the amount the United States is entitled to recover shall not be less than \$31,000 (in-kind repayment is not allowed).
- d. If the amount resulting from the above formula in (c) equals less than \$31,000, then the defaulter owes **\$31,000**. The amount owed is due to be paid within one (1) year of breach.
- e. The amount of Commonwealth of Virginia **collection fees**, court costs and reasonable attorneys' fees incurred or any of its agents in enforcing any of its rights herein.

If a participant is in default due to death, so as not to be able to engage in practice in a HPSA in the Commonwealth, the participant or his personal representative may be relieved of his obligation under the contract (see cancellation of contract, pg 7).

The participant shall agree to reimburse any financial damages owed to the Commonwealth of Virginia that are delinquent for more than thirty (30) days. The Commissioner may refer the debt to one or all of

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the following: Collection Agency, Debt Set-Off Program through the Department of Taxation, Office of the Attorney General, and the Appropriate Credit Reporting Agencies.

Bankruptcy

Bankruptcy

In case of default, the Commonwealth of Virginia shall be entitled to collect from the participant in addition to the amount then due and unpaid on this note, all legal costs of collection including attorney's fees of **30%** of such amount; therefore, debt cannot be written off with bankruptcy.

Contact

Questions/Comments

New Address Effective January 2017

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